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IV.

DEPOSITION OF JACK TORRES
(Pages 34, 61, 62, 101, 146, 155, 156, 157, 195, and 196)

IN THE UNITED STATES DISTRICT
FOR THE
NORTHERN MARIANA ISLANDS

ABELLANOSA, JOANNA, et al.,) CIVIL ACTION NO. 05-0010
)
Plaintiffs,)
)
v.)
)
L & T INTERNATIONAL CORPORATION,)
)
Defendant.)
)

Rule 30(B)(6) Deposition (continued)
of L&T International Corporation
by Mr. Joaquin S. Torres

Taken at the
Law Offices of Colin M. Thompson
2nd Floor, J.E. Tenorio Building
Gualo Rai, Saipan
Commonwealth of the Northern Mariana Islands

September 20, 2006

=====
Transcribed by:
Celina A. Concepcion
dba JUDICIAL SERVICES
Atuhong Place, Chalan Piao
P. O. Box 500051-CK
Saipan, MP 96950-0051
(670) 235-7585

1 Aand or if their work and entry permits have been
2 issued or released.

3 Q Okay, please cancel processing of their work and entry
4 permits and or if their work and entry permits have
5 been issued slash released, okay. Ah, what was the
6 purpose of that?

7 A Well, it's self explanatory. Exactly what it says.

8 Q Okay. Okay, let's see if we can move on to, I'm
9 looking now, I guess we can mark this separately, I
10 think these are separate documents, we'll make this
11 separate, they were produced, you gave it under your
12 No. 11 attached to it, but I think they're...[pause],
13 we'll make them separate here. Okay, I'm looking at a
14 document dated June 26, 2003? Ah, addressed to a Dr.
15 Joaquin A. Tenorio and appears to be from Eloy S. Inos.
16 Ah, let me ask you to look at this, Mr. Torres, and
17 tell me what that is and what it represents?

18 A This is in response to a question that you asked me
19 whether there -- there was any other communication from
20 the company to -- to the Department of Labor regarding
21 the economic situation at that time.

22 Q Uh-huh?

23 A And this is it.

24 Q Okay, and Mr. Eloy Inos is Vice President of ah, Tan
25 Holdings? Or what. What is it.

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Rule 30(B)(6) Deposition
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by Mr. Joaquin S. Torres

Taken at the
Law Offices of Colin M. Thompson
2nd Floor, J.E. Tenorio Building
Gualo Rai, Saipan
Commonwealth of the Northern Mariana Islands

July 10 and 11, 2006

=====
Transcribed by:
Celina A. Concepcion
dba JUDICIAL SERVICES
Atuhong Place, Chalan Piao
P. O. Box 500051-CK
Saipan, MP 96950-0051
(670) 235-7585

1 Queen -- Quin -- Quing? And ah, Ms. Barnabe, ah, were
2 there others that were involved in the initial
3 interviews with the plaintiffs in this case?

4 A I believe ah, Charlie So and ah, David Zheng (ph.). Ah
5 David is no longer with us, Charlie is still with us.

6 Q Okay, and had you given ah, your staff, had they had
7 any -- before they went into these interviews, any
8 training or ah, instructions as to ah, what to say to
9 the applicants, ah about the payment of the health
10 examination fee and health certificate fee?

11 A There were no specific instructions with respect to
12 that particular issue, ah however, ah -- ah these
13 people, I mean my staff know ah, when the employer
14 becomes responsible and when they are not responsible.
15 We've been doing this thing for years.

16 Q Okay, are you saying that for years you -- the
17 employees have paid for their health certificate,
18 examination fee?

19 A For -- for initial applications? Yes.

20 Q And, what about the second -- okay, so if they paid for
21 the initial application, who pays for the second if
22 they renewed?

23 A The second is paid by -- by -- by the employer, I mean
24 that's clear in the statute, that once you -- you are a
25 nonresident worker, you become a nonresident worker ah,

1 and when I say nonresident worker is -- I mean a non --
2 an alien who has a permit here, then the employer is
3 responsible for payment of medical expenses.

4 Q So, your staff, you're confident that your staff would
5 have told the plaintiffs of this policy that you said
6 that you've been following through the years?

7 A I'm sure of that.

8 Q And then for the second year, ah what would your staff
9 have told the plaintiffs about payment for the second
10 year ah, health examination....

11 A I don't--

12 Qfee and ah--

13 A I don't -- I don't think there would be any discussion
14 about second year, I mean their -- their task was to
15 prepare documents for submission ah, so I don't believe
16 any of the staff would be talking about second year.

17 Q But you just said that that was ah, that they paid for
18 the first year--

19 A No, you asked me whether they know and I said, yes,
20 they would know that when a -- when an employee ah,
21 either arrives here or is consensually transferred
22 here, that the employer would become responsible after
23 they receive the permit. Before that? The employer is
24 not responsible. They know that. That's what you
25 asked me, whether they know that that's -- that's the

1 MR. THOMPSON: It's okay.

2 MR. HILL: We will--

3 MR. THOMPSON: Just for the record, that document
4 ...[unintelligible] these documents that have been available
5 to you for your inspection.

6 MR. HILL: Okay. Let me just go off--

7 OFF/ON RECORD

8 MR. HILL: Okay, Mr. Torres, we're back on now, I'd ask
9 that you look at the ah, document that you provided ah,
10 during the break, ah entitled reduction in force, RIF, ah
11 dated April 21st, 2003. All right, now is that the one that
12 you say that -- the RIF and the policy that was in effect
13 when plaintiffs were RIF-ed in 2004?

14 A Yes, sir.

15 Q Okay, and that would have been the one that you applied
16 to the plaintiffs?

17 A Yes.

18 Q Okay, now let me call your attention to, I'll give you,
19 show you a copy of ah, the termination letter, where is
20 that, okay, you have a copy of the termination letter
21 there, right? Of the plaintiffs?

22 A Yes, yes.

23 Q Okay, and ah, now looking at that termination letter,
24 ah how many days ah, notice you have there?

25 A Ten days.

1 orders either just shortly prior to May? Or early May.

2 Q Now, when plaintiffs were hired ah, in the beginning
3 part of ah, 2004, ah had there been order projections
4 made by Ms. Connie Yeung's office?

5 A Yes.

6 Q And, what were those projections at that time?

7 A The projections were--

8 Q As far as the head counts you would need?

9 A Yes, ah she--

10 Q For the -- for the--

11 A She had a, ah head count requirement of approximately
12 400, that the factory needed 400 based on the -- the
13 January, February, ah projection?

14 Q 2004?

15 A Yes.

16 Q And, that projection was for what, over a period of a
17 year? How long would they need this 400 for.

18 A Well, the -- the -- the projection was based on -- on
19 the level of orders, so the -- the January and February
20 looked very good and we didn't have enough manpower, so
21 ah, hence the decision to recruit ah, because ah, we
22 were not able to deliver garments ah, on time because
23 we had a lot of orders in January and February. Ah,
24 that's why we decided to -- to recruit because the
25 orders did not match our manning level, we needed more

1 A Now, I believe that what -- what -- what ah -- I don't
2 think they were told that we were recruiting for
3 packers, I don't think so. They were classified as
4 packers once -- once we were not able to ah -- they
5 were hired as packers once we were not able to -- to
6 hire ah, to recruit the -- the necessary numbers of
7 sewers and pressers.

8 Q And, did they qualify as packers? Or what is the
9 qualifications of a packer...[unintelligible].

10 A Basically, that ah -- they ah -- here's what happened,
11 ah -- ah when we did not get the -- the results that we
12 wanted from both the -- the DES referral and the walk-
13 in, ah the company decided to ah, hire those that
14 responded to -- either have some experience, garment
15 experience, or were able to -- to work ah, standing, in
16 a standing position.

17 Q The basic skills?

18 A Ah, no, no basic skills, if they -- if they ah, have
19 basic skills? Ah, they were hired. If they didn't
20 have packing skills, but were able to work eight hours
21 standing? They were selected.

22 Q Okay, so the workers that -- the plaintiffs and the
23 workers that you were recruiting at that time as
24 packers, ah, there was no conditions preceded that they
25 had to have previous packing experience?

1 A No, see, we didn't recruit for -- for packers. We just
2 basically needed people to work -- to work and if they
3 didn't have -- if they had packing experience? We
4 hired. If they didn't have packing experience, but
5 could work standing for eight hours? We hired. Those
6 -- those classifications were -- were made after they
7 were selected to -- to submit them as packers.

8 Q Well, let me ask you this then, was the plan then that
9 you would hire these persons and then train them, give
10 them some training in the packing?

11 A Yeah, they would -- they -- they would ah -- ah yes,
12 and as a matter of fact, they did have ah, on the job,
13 they were shown how to do, do things, because--

14 Q On the job training?

15 A Yes.

16 Q Now, were any of the plaintiffs terminated because they
17 didn't do their jobs right?

18 A Not that I -- that I -- I know.

19 Q Did you speak with Ms., ah -- all the other people in
20 the HR department about this, or?

21 A The plaintiffs, the plaintiffs were terminated ah, as a
22 result of the reduction in force, but not from some
23 disciplinary action.

24 Q To your knowledge, were any of the plaintiffs, ah
25 terminable for ah, any other reasons, other than

1 reduction in force?

2 A At the time the decision was made? No.

3 Q What about after the time the decision was made?

4 A I can't say because they've been terminated, I mean if
5 -- if, for instance, they -- they ah -- they can be
6 terminated for ah -- ah violation of the employment
7 contract, any of those enumerated provisions. Let's
8 say, ah one of those or two of those violates, ah for
9 instance, ah have ah -- were engaged in altercation?
10 They would be terminated because we have zero tolerance
11 for -- for that ah -- for work place violence.

12 Q Okay, to your knowledge, as you sit here today, was
13 there any pre-existing grounds or cause that you could
14 have terminated any of the plaintiffs for, other than
15 reduction in force?

16 A No.

17 Q Now, which, would you identify for me which supervisors
18 and employees were involved in selecting and
19 determining the employees to be RIF-ed?

20 A As -- as I said yesterday, a determination on head
21 count was -- was ah, based by taking ah -- ah the 296
22 packers and ah -- ah taking the difference of the
23 projected ah -- the percentage of projected versus
24 confirmed orders for ah -- ah June. So, it was 296
25 times 32%. That's the formula that was used to ah,

1 Q Does that code have a provision for regarding ah,
2 procedures in terminating employees?

3 A Not procedures, ah grounds for terminating employees.

4 Q Does it provide for any notice to employees ah, in any
5 -- any way?

6 A Yes, we ah -- what it does, I -- I don't believe it
7 provides for notice, but we notify employees ah, when
8 we are terminating them not because of the code of
9 conduct, but because of the employment contract.

10 Q So what about those employees who don't have contracts,
11 do they get notice?

12 A They do get notice, yes.

13 Q Are they entitled to notice?

14 A Just like everybody else. We give them notice as a
15 matter of practice.

16 Q Do we have a code of conduct here? Is that a big book
17 or just a couple of page?

18 A No, it's probably about 5, 6 pages only. It basically
19 states ah, the grounds for -- it basically states the
20 grounds for ah -- ah, disciplinary action.

21 Q Okay. Do you believe that L&T would have ah -- would
22 have to have closed if the plaintiffs were retained
23 through the term of their contract?

24 A I -- I -- can you repeat that?

25 Q Do you believe that L&T would have to close if the

1 plaintiffs were retained through the ah, term of their
2 contract?

3 A I don't think it would close because it's ah, we got
4 other activities other than...[pause]--

5 Q I guess my question is, do you think if plaintiffs --
6 having to pay plaintiffs through the unexpired term of
7 their contracts would have caused L&T to go out of
8 business?

9 A I don't think so.

10 Q Were plaintiffs ever offered a reduced contract in lieu
11 of ah, just termination?

12 A Well, I don't understand reduced contract--

13 Q Well, did you ever offer them, for example, go to them
14 and say that ah, look, we're not getting orders, so
15 we're willing to offer you a contract for three months?
16 Two more months? And then you're out?

17 A That was not done.

18 Q Now, who prepared the ah, contract form for L&T?

19 A Pardon me?

20 Q Who prepared the contract form for L&T? The plaintiffs
21 -- the one the plaintiffs used.

22 A Who prepared it?

23 MR. HILL: Yes.

24 A What do you mean, ah who prepared it. HR prepared the
25 documents, ah--